

Substitute Bill No. 1113

January Session, 2015



AN ACT REVISING STATUTES CONCERNING THE STATE CONTRACTING STANDARDS BOARD.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 4e-1 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective October 1, 2015*):
- For the purposes of [sections 4e-1 to 4e-47, inclusive] this chapter:
- 4 (1) "Best value selection" means a contract selection process in which
- 5 the award of a contract is based on a combination of quality, timeliness
- 6 and cost factors;
- 7 (2) "Bid" means an offer, submitted in response to an invitation to
- 8 bid, to furnish supplies, materials, equipment, construction or
- 9 contractual services to a state contracting agency under prescribed
- 10 conditions at a stated price;
- 11 (3) "Bidder" means a business submitting a bid in response to an
- 12 invitation to bid by a state contracting agency;
- 13 (4) "Board" means the State Contracting Standards Board;
- [(4)] (5) "Business" means any individual or sole proprietorship,
- 15 partnership, firm, corporation, trust, limited liability company, limited
- 16 liability partnership, joint stock company, joint venture, association or

- other legal entity through which business for profit or not-for-profit is conducted;
 - [(5)] (6) "Competitive bidding" means the submission of prices by a business competing for a contract to provide supplies, materials, equipment or contractual services to a state contracting agency, under a procedure in which the contracting authority does not negotiate prices, as set forth in statutes and regulations concerning procurement;
- 24 [(6)] (7) "Consultant" means (A) any architect, professional engineer, landscape architect, land surveyor, accountant, interior designer, 25 26 environmental professional or construction administrator, who is 27 registered or licensed to practice such person's profession in 28 accordance with the applicable provisions of the general statutes, (B) 29 any planner or any environmental, management or financial specialist, 30 or (C) any person who performs professional work in areas including, 31 but not limited to, educational services, medical services, information 32 technology and real estate appraisal;
- [(7)] (8) "Consultant services" means those professional services rendered by a consultant and any incidental services that a consultant and those in the consultant's employ are authorized to perform;
- [(8)] (9) "Contract" or "state contract" means an agreement or a combination or series of agreements between a state contracting agency or quasi-public agency and a business for:
- (A) A project for the construction, reconstruction, alteration, remodeling, repair or demolition of any public building, public work, mass transit, rail station, parking garage, rail track or airport;
- 42 (B) Services, including, but not limited to, consultant and 43 professional services;
- 44 (C) The acquisition or disposition of personal property;
- 45 (D) The provision of goods and services, including, but not limited

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- to, the use of purchase of services contracts and personal service agreements;
- 48 (E) The provision of information technology, state agency 49 information system or telecommunication system facilities, equipment 50 or services;
- 51 (F) A lease; or
- 52 (G) A licensing agreement;
- 53 "Contract" or "state contract" does not include a contract between a
- 54 state agency or a quasi-public agency and a political subdivision of the
- 55 state;
- [(9)] (10) "Term contract" means the agreement reached when the
- 57 state accepts a bid or proposal to furnish supplies, materials,
- 58 equipment or contractual services at a stated price for a specific period
- of time in response to an invitation to bid;
- [(10)] (11) "Contract risk assessment" means (A) the identification
- and evaluation of loss exposures and risks, including, but not limited
- 62 to, business and legal risks associated with the contracting process and
- 63 the contracted goods and services, and (B) the identification,
- 64 evaluation and implementation of measures available to minimize
- 65 potential loss exposures and risks;
- [(11)] (12) "Contractor" means any business that is awarded, or is a
- 67 subcontractor under, a contract or an amendment to a contract with a
- 68 state contracting agency under statutes and regulations concerning
- 69 procurement, including, but not limited to, a small contractor, minority
- 70 business enterprise, an individual with a disability, as defined in
- 71 section 4a-60, or an organization providing products and services by
- 72 persons with disabilities;
- 73 [(12)] (13) "Contractual services" means the furnishing of labor by a
- 74 contractor, not involving the delivery of a specific end product other

75 than reports, which are merely incidental to the required performance 76 and includes any and all laundry and cleaning service, pest control 77 service, janitorial service, security service, the rental and repair, or 78 maintenance, of equipment, machinery and other state-owned 79 personal property, advertising and photostating, mimeographing, 80 human services and other service arrangements where the services are 81 provided by persons other than state employees. "Contractual services" 82 includes the design, development and implementation of technology, 83 communications or telecommunications systems or the infrastructure 84 pertaining thereto, including hardware and software and services for 85 which a contractor is conferred a benefit by the state, whether or not 86 compensated by the state. "Contractual services" does not include 87 employment agreements or collective bargaining agreements;

- [(13)] (14) "Data" means recorded information, regardless of form or characteristic;
- [(14)] (15) "Vote of two-thirds of the members of the board present and voting" means a vote by the State Contracting Standards Board that is agreed upon by two-thirds of the members of the State Contracting Standards Board present and voting for a particular purpose and that includes the vote of one member of the board appointed by a legislative leader;
- 96 [(15)] (16) "Electronic" means electrical, digital, magnetic, optical, electromagnetic, or any other similar technology;
 - [(16)] (17) "Emergency procurement" means procurement by a state contracting agency, quasi-public agency, as defined in section 1-120, judicial department or constituent unit of higher education that is made necessary by a sudden, unexpected occurrence that poses a clear and imminent danger to public safety or requires immediate action to prevent or mitigate the loss or impairment of life, health, property or essential public services or in response to a court order, settlement agreement or other similar legal judgment;

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- [(17)] (18) "Equipment" means personal property of a durable nature that retains its identity throughout its useful life;
- [(18)] (19) "Materials" means items required to perform a function or used in a manufacturing process, particularly those incorporated into an end product or consumed in its manufacture;
- [(19)] (20) "Nonprofit agency" means any organization that is not a for-profit business under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, makes no distribution to its members, directors or officers and provides services contracted for by (A) the state, or (B) a nonstate entity;
 - [(20)] (21) "Professional services" means any type of service to the public that requires that members of a profession rendering such service obtain a license or other legal authorization as a condition precedent to the rendition thereof, including, but not limited to, the professional services of architects, professional engineers, or jointly by architects and professional engineers, landscape architects, certified public accountants and public accountants, land surveyors, attorneys-at-law, psychologists, licensed marital and family therapists, licensed professional counselors and licensed clinical social workers as well as such other professional services described in section 33-182a;
 - [(21)] (22) "Privatization contract" means an agreement or series of agreements between a state contracting agency and a person or entity in which such person or entity agrees to provide services that are substantially similar to and in lieu of services provided, in whole or in part, by state employees, other than contracts with a nonprofit agency, which are in effect as of January 1, 2009, and which through a renewal, modification, extension or rebidding of contracts continue to be provided by a nonprofit agency;
- [(22)] (23) "Procurement" means contracting for, buying, purchasing, renting, leasing or otherwise acquiring or disposing of, any supplies,

- services, including but not limited to, contracts for purchase of services
- 138 and personal service agreements, interest in real property, or
- construction, and includes all government functions that relate to such
- 140 activities, including best value selection and qualification based
- 141 selection;
- [(23)] (24) "Proposer" means a business submitting a proposal to a
- state contracting agency in response to a request for proposals or other
- 144 competitive sealed proposal;
- [(24)] (25) "Public record" means a public record, as defined in
- 146 section 1-200;
- [(25)] (26) "Qualification based selection" means a contract selection
- 148 process in which the award of a contract is primarily based on an
- assessment of contractor qualifications and on the negotiation of a fair
- and reasonable price;
- 151 [(26)] (27) "Regulation" means regulation, as defined in section 4-
- 152 166;
- [(27)] (28) "Request for proposals" means all documents, whether
- attached or incorporated by reference, utilized for soliciting proposals;
- [(28)] (29) "State contracting agency" means any executive branch
- agency, board, commission, department, office, institution or council
- 157 <u>that engages in procurement</u>. "State contracting agency" does not
- include the judicial branch, the legislative branch, the offices of the
- 159 Secretary of the State, the State Comptroller, the Attorney General, the
- 160 State Treasurer, with respect to their constitutional functions [,] or any
- state agency with respect to contracts specific to the constitutional and
- statutory functions of the office of the State Treasurer. For the purposes
- of section 4e-16, "state contracting agency" (A) includes any constituent
- unit of the state system of higher education, and [for the purposes of
- section 4e-19, "state contracting agency" includes the State Education
- Resource Center, established under section 10-4q (B) does not include
- the division within the Department of Administrative Services that is

- 168 <u>charged with state-wide procurement;</u>
- [(29)] (30) "Subcontractor" means a subcontractor of a contractor for work under a contract or an amendment to a contract;
- [(30)] (31) "Supplies" means any and all articles of personal property, including, but not limited to, equipment, materials, printing, insurance and leases of real property, excluding land or a permanent interest in land furnished to or used by any state agency;
- 175 [(31)] (32) "Infrastructure facility" means a building, structure or 176 network of buildings, structures, pipes, controls and equipment that 177 provide transportation, utilities, public education or public safety 178 services. Infrastructure facility includes government office buildings, 179 public schools, jails, water treatment plants, distribution systems and 180 pumping stations, wastewater treatment plants, collections systems 181 and pumping stations, solid waste disposal plants, incinerators, 182 landfills, and related facilities, public roads and streets, highways, 183 public parking facilities, public transportation systems, terminals and 184 rolling stock, rail, air and water port structures, terminals and 185 equipment; and
- [(32)] (33) "State employee" means state employee, as defined in section 5-154 and, for purposes of section 4e-16, state employee includes an employee of any state contracting agency.
- Sec. 2. Section 4e-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 191 (a) All rights, powers, duties and authority relating to the 192 procurement policies of the state, vested in, or exercised by, any state 193 contracting agency may [also] be [exercised] reviewed by the board, 194 [provided such rights, powers, duties and authority may be exercised 195 by the board as provided in this [section and sections 4e-4 to 4e-47, 196 inclusive] chapter, and absent any affirmative action by the board, 197 pursuant to [said sections] this chapter, shall not be deemed to limit or 198 restrict the exercise of such rights, powers, duties and authority by any

- such state contracting agency. Such <u>review of</u> rights, powers, duties and authority shall [include] <u>be related to</u> the following:
- 201 (1) Acquisition of supplies, services, and construction, and the 202 management, control, warehousing, sale, and disposal of supplies, 203 services, and construction;
- (2) Any state contracting and procurement processes, including, but not limited to, leasing and property transfers, purchasing or leasing of supplies, materials or equipment, [consultant] consultants or consultant services, purchase of service agreements or privatization contracts; and
- 209 (3) Contracts for the construction, reconstruction, alteration, 210 remodeling, repair or demolition of any public building.
- 211 (b) Notwithstanding any provision of chapter 14, upon request by 212 the board, each state contracting agency, including institutions of 213 higher education, shall provide the board, in a timely manner, with 214 such procurement information as the board deems necessary. The 215 board shall have access to all information, files and records related to 216 any state contracting agency in furtherance of the board's duties, as 217 described in this [section and sections 4e-4 to 4e-47, inclusive] chapter. 218 Nothing in this section shall be construed to require the board's 219 disclosure of documents that are exempt from disclosure pursuant to 220 chapter 14.
- Sec. 3. Section 4e-4 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- Except as otherwise provided in the general statutes, the board shall have the following authority [and responsibilities] with respect to procurements by state contracting agencies:
- (a) [Recommend] <u>To recommend</u> the repeal of repetitive, conflicting or obsolete statutes concerning state procurement;

- 228 (b) [Review] <u>To review</u> and make recommendations concerning
- 229 proposed legislation and <u>proposed</u> regulations concerning
- 230 procurement, management, control, and disposal of any and all
- 231 supplies, services, and construction to be procured by the state,
- 232 including, but not limited to:
- 233 (1) Conditions and procedures for delegation of procurement
- 234 authority;
- 235 (2) Prequalification, suspension, debarment and reinstatement of
- 236 prospective bidders and contractors;
- 237 (3) Small purchase procedures;
- 238 (4) Conditions and procedures for the procurement of perishables
- 239 and items for resale;
- 240 (5) Conditions and procedures for the use of source selection
- 241 methods authorized by statutes and regulations concerning
- 242 procurement;
- 243 (6) Conditions and procedures for the use of emergency
- 244 procurements;
- 245 (7) Conditions and procedures for the selection of contractors by
- 246 processes or methods that restrict full and open competition;
- 247 (8) The opening or rejection of bids and offers, and waiver of errors
- in bids and offers;
- 249 (9) Confidentiality of technical data and trade secrets submitted by
- 250 actual or prospective bidders;
- 251 (10) Partial, progressive and multiple awards;
- 252 (11) Supervision of storerooms and inventories, including
- 253 determination of appropriate stock levels and the management,
- 254 transfer, sale or other disposal of publicly-owned supplies;

255256	(12) Definitions and classes of contractual services and procedures for acquiring such services;	
257	(13) Regulations providing for conducting cost and price analysis;	
258	(14) Use of payment and performance bonds;	
259 260	(15) Guidelines for use of cost principles in negotiations, adjustments and settlements; and	
261	(16) Identification of procurement best practices;	
262 263 264 265	(c) [Adopt] <u>To adopt</u> regulations, pursuant to chapter 54, to carry out the provisions of [statutes concerning procurement] <u>this chapter</u> , in order to facilitate consistent application of the law and require the implementation of procurement best practices;	
266267268	(d) [Make] <u>To make</u> recommendations with regard to information systems for state procurement including, but not limited to, data element and design and the State Contracting Portal;	
269 270	(e) [Develop] <u>To develop</u> a guide to state statutes and regulations concerning procurement, for use by all state contracting agencies;	
271272273274275276277	statutes and regulations concerning procurement by providing guidance, models, advice and practical assistance to state contracting agency staff relating to: (1) Buying the best service at the best price, (2) properly selecting contractors, and (3) drafting contracts that achieve state goals of accountability, transparency and [results based] results-	
278279280	(g) [Train and oversee] <u>To train</u> the agency procurement officer of each state contracting agency and any contracting officers thereunder; <u>and</u>	
281	(h) [Review] To review and certify, on or after January 1, 2009, that a	

state contracting agency's procurement processes are in compliance

with statutes and regulations concerning procurement by:

- (1) Establishing procurement and project management education and training criteria and certification procedures for agency procurement officers and contracting officers. All agency procurement officers and contracting officers designated under this provision shall be required to maintain the certification in good standing at all times while performing procurement functions; and
- (2) Approving an ethics training course, in consultation with the Office of State Ethics, including, but not limited to, state employees involved in procurement and for state contractors and substantial subcontractors who are prequalified pursuant to chapter 58a. Such ethics training course may be developed and provided by the Office of State Ethics or by any person, firm or corporation provided such course is approved by the State Contracting Standards Board. [;]
- [(i) Recertify each state contracting agency's procurement processes, triennially, and provide agencies with notice of any certification deficiency and exercise those powers authorized by section 4e-34, 4e-39 or 4e-40, as applicable, if a determination of noncompliance is made;
- (j) Define the contract data reporting requirements to the board for state agencies concerning information on: (1) The number and type of state contracts of each state contracting agency currently in effect statewide; (2) the term and dollar value of such contracts; (3) a list of client agencies; (4) a description of services purchased under such contracts; (5) contractor names; (6) an evaluation of contractor performance, including, but not limited to records pertaining to the suspension or disqualification of contractors, and assuring such information is available on the State Contracting Portal; and (7) a list of contracts and contractors awarded without full and open competition stating the reasons for and identifying the approving authority; and
- (k) Provide the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to

- government administration with recommendations concerning the statutes and regulations concerning procurement.
- Sec. 4. Section 4e-5 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 318 (a) (1) The head of each state contracting agency shall appoint an 319 agency procurement officer. Such officer shall serve as the liaison 320 between the agency and the Chief Procurement Officer on all matters 321 relating to the agency's procurement activity, including, but not 322 limited to, implementation and compliance with the provisions of 323 statutes and regulations concerning procurement and any policies or 324 regulations adopted by the board, coordination of the training and 325 education of agency procurement employees and any person serving 326 on the Contracting Standards Advisory Council;
 - (2) The [agency procurement officer] <u>state contracting agency</u> shall be responsible for assuring that contractors are properly screened prior to the award of a contract, evaluating contractor performance during and at the conclusion of a contract [,] <u>and</u> submitting written evaluations to a central data repository to be designated by the board. [and creating a project management plan for the agency with annual reports to the board pertaining to procurement projects within the agency.]
 - (b) The State Contracting Standards Board, with the advice and assistance of the Commissioner of Administrative Services, shall develop a standardized state procurement [and project management] education and training program. Such education and training program shall [develop] <u>include</u> education, training and professional development opportunities for employees of state contracting agencies charged with procurement responsibilities. The program shall educate such employees in general business acumen and on proper purchasing procedures as established in statutes and regulations concerning procurement with an emphasis on ethics, fairness [,] <u>and</u> consistency. [and project management.] Participation in the program shall be

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required of any supervisory and nonsupervisory state employees in state contracting agencies with responsibility for buying, purchasing, renting, leasing or otherwise acquiring any supplies, service or construction, including the preparation of the description of requirements, selection and solicitation of sources, preparation and award of contracts and all phases of contract administration.

- (c) The program shall include, but shall not be limited to (1) training and education concerning federal, state and municipal procurement processes, including the statutes and regulations concerning procurement; (2) training and education courses developed in cooperation with the Office of State Ethics, the Freedom of Information Commission, the State Elections Enforcement Commission, the Commission on Human Rights and Opportunities, the office of the Attorney General and any other state agency the board determines is necessary in carrying out statutes and regulations concerning procurement; (3) providing technical assistance to state contracting agencies and municipalities for implementing statutes and regulations concerning procurement [,] and regulations, policies and standards developed by the board; (4) training to current and prospective contractors and vendors and others seeking to do business with the state; and (5) training and education of state employees in the area of best procurement practices in state purchasing with the goal of achieving the level of acumen necessary to achieve the objectives of statutes and regulations concerning procurement.
- (d) Any employee who completes the program established under subsection (b) of this section shall be issued documentation by the board acknowledging such employee's participation in the program. The board shall submit an annual report to the Governor and the General Assembly on the status of such program in accordance with section 11-4a.
- (e) The board shall adopt regulations, in accordance with the provisions of chapter 54, to develop and implement the <u>education and</u> training [and education] program established under subsection (b) of

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379 this section.

- Sec. 5. Section 4e-6 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- (a) The board [shall] <u>may</u> conduct audits of state contracting agencies, triennially, to ensure compliance with statutes and regulations concerning procurement. In conducting each such audit, the board shall have access to all contracting and procurement records, may interview any and all personnel responsible for contracting, contract negotiations or procurement and may enter into an agreement with the Auditors of Public Accounts to effectuate such audit.
 - (b) Upon completion of any such audit, the board [shall] <u>may</u> prepare and issue a compliance report for the state contracting agency. [Such] <u>Any such</u> report shall identify any process or procedure that is inconsistent with statutes and regulations concerning procurement and indicate those corrective measures the board deems necessary to comply with statutes and regulations concerning procurement requirements. [Such] <u>If the board issues such a report, the</u> report shall be issued and delivered not later than thirty days after completion of such audit and shall be a public record.
- Sec. 6. Section 4e-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
 - (a) For cause, the State Contracting Standards Board may review, terminate or recommend to a state contracting agency the termination of any contract or procurement agreement undertaken by any state contracting agency after providing fifteen days' notice to the state contracting agency and the applicable contractor, and consulting with the Attorney General. Such termination of a contract or procurement agreement by the board may occur only after (1) the board has consulted with the contracting agency and the Department of Administrative Services to determine the impact of an immediate termination of the contract, (2) a determination has been made jointly

by the board and the contracting agency that an immediate termination of the contract will not create imminent peril to the public health, safety or welfare, (3) a vote of two-thirds of the members of the board present and voting for that purpose, and (4) the board has provided the state contracting agency and the contractor with an opportunity for a hearing conducted pursuant to the provisions of chapter 54. Any such termination shall comply with the terms of the contract or procurement agreement entered into by the state contracting agency and the contractor. Such action shall be accompanied by notice to the state contracting agency and any other affected party. For the purpose of this section, "for cause" means: (A) A violation of section 1-84 or 1-86e, as determined by the Citizen's Ethics Advisory Board; (B) wanton or reckless disregard of any state contracting and procurement process by any person substantially involved in such contract or state contracting agency; or (C) notification from the Attorney General to the state contracting agency that an investigation pursuant to section 4-61dd has concluded that the process by which such contract was awarded was compromised by fraud, collusion or any other criminal violation. Nothing in this section shall be construed to limit the authority of the board as described in section 4e-6, as amended by this act.

(b) Following consultation with the state contracting agency and the Department of Administrative Services and upon providing fifteen days' notice and the opportunity for a hearing, the State Contracting Standards Board may restrict or terminate the authority of any state contracting agency to enter into any contract or procurement agreement if: (1) The board, upon a vote of two-thirds of the members of the board present and voting for such purpose, determines that such state contracting agency failed to comply with statutory contracting and procurement requirements and evidenced a reckless disregard for applicable procedures and policy; and (2) such limitation, restriction or termination of authority is in the state's best interest, provided the board has made arrangements for the exercise of the contracting power of such agency during the period of limitation, restriction or

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- termination. Such limitation, restriction or termination of authority shall remain in effect until such time as the board determines that such state contracting agency has implemented corrective measures and demonstrated compliance with statutes and regulations concerning procurement.
 - (c) Following consultation with the state contracting agency, and thereafter upon providing fifteen days' notice and the opportunity for a hearing, the State Contracting Standards Board may order a state contracting agency to take appropriate action to restrict or terminate the authority of an employee or agent to enter into any contract or procurement agreement if the board, upon a vote of two-thirds of the members of the board present and voting for such purpose, determines that such employee or agent failed to comply with statutory contracting and procurement requirements, and evidenced a reckless disregard for applicable procedures and policy. Such limitation, restriction or termination of authority shall remain in effect until such time as the board determines that such state contracting agency has implemented corrective measures and demonstrated compliance with statutes and regulations concerning procurement.
 - (d) The board shall develop procedures for applying to the board (1) to request a review of a contract, or (2) for the recommendation to terminate a contract. Such procedures shall be clearly defined and posted on the board's Internet web site.
- Sec. 7. Section 4e-8 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 469 There is established a Contracting Standards Advisory Council, 470 which shall consist of representatives from the Office of Policy and 471 Management, Departments of Administrative Services and 472 Transportation and representatives of at least three additional 473 contracting agencies designated by the Governor, including at least 474 one human services related state agency. [, to be designated by the 475 Governor.] The Chief Procurement Officer shall be a member of the

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- council and serve as chairperson. The advisory council shall meet at least four times per year to discuss state procurement issues and to make recommendations for improvement of the procurement processes to the State Contracting Standards Board. The advisory council may conduct studies, research and analyses and make reports and recommendations with respect to subjects or matters within the jurisdiction of the State Contracting Standards Board.
- Sec. 8. Section 4e-10 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- I(a) On or before July 1, 2010, the board shall submit to the Governor and the General Assembly such legislation as is necessary to permit state contracting agencies, not including quasi-publics, institutions of higher education, and municipal procurement processes utilizing state funds, to carry out their functions under statutes and regulations concerning procurement.
 - (b) On or before July 1, 2011, the board shall submit to the Governor and the General Assembly such legislation as is necessary to apply the provisions of statutes concerning procurement to constituent units of the state system of higher education. Concomitantly, the board shall submit such additional legislation as is necessary to apply the provisions of statutes and regulations concerning privatization and procurement to quasi-public agencies.
 - (c) On or before July 1, 2012, the board shall submit to the Governor and the General Assembly such legislation as is necessary to apply the provisions of statutes and regulations concerning procurement to the municipal procurement processes utilizing state funds.]
 - (a) The board shall assist the constituent units of higher education in developing best procurement practices that are specific to such units and consistent with the provisions of the general statutes and regulations concerning procurement.
- 506 (b) On or before June 30, 2016, each of the constituent units of higher

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- education shall adopt a code of procurement practices and submit a
 copy of such code to the board.
- Sec. 9. Section 4e-11 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 511 (a) The board shall [provide assistance to] <u>assist</u> the Secretary of the State, Comptroller, Treasurer and Attorney General [to develop] <u>in</u>
 513 <u>developing</u> best procurement practices specific to the constitutional and statutory functions of each office and consistent with <u>the</u>
 515 <u>provisions of the general</u> statutes and regulations concerning procurement.
- (b) [Each] On or before June 30, 2016, each of the officers specified in subsection (a) of this section shall adopt a code of procurement practices [on or before June 1, 2011] and submit a copy of such code to the board.
- Sec. 10. Section 4e-12 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
 - (a) On or before [February 1, 2011] June 30, 2016, the judicial branch and the legislative branch shall each prepare a procurement code applicable to contracting expenditures, including, but not limited to, expenditures: (1) Involving contracting and procurement processes for purchasing or leasing of supplies, materials or equipment, [consultant] consultants or consultant services, personal service agreements or purchase of service agreements; and (2) relating to contracts for the renovation, alteration or repair of any judicial branch or legislative branch facility in accordance with section 4b-1.
 - (b) The procurement codes described in subsection (a) of this section shall be designed to: (1) Establish uniform contracting standards and practices; (2) simplify and clarify contracting standards and procurement policies and practices, including, but not limited to, procedures for competitive sealed bids, competitive sealed proposals, small purchases, sole source procurements, emergency procurements

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- 538 and special procurements; (3) ensure the fair and equitable treatment 539 of all businesses and persons who deal with the procurement system; 540 (4) include a process to maximize the use of small contractors and 541 minority business enterprises; (5) provide increased economy in 542 procurement activities and maximize purchasing value to the fullest 543 extent possible; (6) ensure that the procurement of supplies, materials, 544 equipment, services, real property and construction is obtained in a 545 cost-effective and responsive manner; (7) include a process to ensure 546 contractor and judicial branch or legislative branch accountability; and 547 (8) provide a process for competitive sealed bids, competitive sealed 548 proposals, small purchases, sole source procurements, emergency 549 procurements, special procurements, best value selection, qualification 550 based selection and the conditions for their use.
- (c) On or before [February 1, 2011] <u>June 30, 2016</u>, the judicial branch shall submit such procurement code for review and approval to the joint standing committee of the General Assembly having cognizance of matters relating to the judiciary.
- Sec. 11. Section 4e-13 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
 - (a) The Department of Administrative Services, in consultation with the State Contracting Standards Board, shall establish and maintain a single electronic portal available on the Internet and located on the Department of Administrative Services' web site for purposes of posting all contracting opportunities with state agencies in the executive branch, the constituent units of the state system of higher education and quasi-public agencies. Such electronic portal shall be known as the State Contracting Portal.
 - (b) The State Contracting Portal shall, among other things, include: (1) All requests for bids or proposals [,] and other solicitations regardless of the method of source selection, <u>all</u> related materials and all resulting contracts and agreements by state agencies; (2) a searchable database for locating information; (3) personal services

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- agreements and purchase of service agreements; (4) a state procurement and contract manual or other similar information designated by the Department of Administrative Services as describing approved contracting processes and procedures; and (5) prominent features to encourage the active recruitment and participation of small businesses and women and minority-owned enterprises in the state contracting process.
 - (c) All state agencies in the executive branch, the constituent units of the state system of higher education and <u>all</u> quasi-public agencies shall post all bids, requests for proposals and all resulting contracts and agreements on the State Contracting Portal and shall, with the assistance of the Department of Administrative Services as needed, develop the infrastructure and capability to electronically communicate with the State Contracting Portal.
 - (d) All state agencies in the executive branch, the constituent units of the state system of higher education and <u>all</u> quasi-public agencies shall develop written policies and procedures to ensure that information is posted to the State Contracting Portal in a timely, complete and accurate manner consistent with the highest legal and ethical standards of state government.
 - [(e) The Department of Administrative Services shall periodically report to the Governor and the State Contracting Standards Board on the progress of all state agencies in the executive branch, the constituent units of the state system higher education and quasi-public agencies, in developing the capacity, infrastructure, policies and procedures to electronically communicate with the State Contracting Portal and the Department of Administrative Services' progress toward establishment and maintenance of the State Contracting Portal.]
- Sec. 12. Section 4e-18 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

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- For the purpose of obtaining supplies, materials, equipment or contractual services, except infrastructure facilities, the Commissioner of Administrative Services shall establish a requisition system to be used by state contracting agencies to initiate and authorize the procurement process. [Such system shall be approved by the State Contracting Standards Board.]
- Sec. 13. Section 4e-29 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- (a) Each contract of a state contracting agency shall provide that a state contracting agency may, at reasonable times, inspect the part of the plant or place of business of a contractor or any subcontractor which is related to the performance of any contract awarded, or to be awarded by the state, to ensure compliance with the contract.
- 614 (b) Each contract of a state contracting agency shall provide that the 615 contractor shall, upon the request of such agency, submit all necessary 616 documentation, including data concerning cost, in the form required 617 for the specific contract type.
- Sec. 14. Section 4e-36 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 620 (a) [Any] Except as otherwise provided by law, after a bidder or 621 proposer on a state contract <u>has exhausted all administrative remedies</u> 622 within the state contracting agency, such bidder or proposer may 623 contest the solicitation or award of a contract to a subcommittee of the 624 State Contracting Standards Board [which] that shall be appointed by 625 the chairperson of the board and consist of three members, at least one 626 of whom shall be a legislative appointee. Such contest shall be 627 submitted, in writing, not later than fourteen days after such bidder or 628 proposer knew or should have known of the facts giving rise to such 629 contest and shall be limited to the procedural elements of the 630 solicitation or award process, or claims of an unauthorized or 631 unwarranted, noncompetitive selection process.

- (b) The filing of a contest pursuant to this section shall not, alone, be deemed to prohibit the award or execution of any such contested contract.
- 635 (c) The assigned subcommittee of the State Contracting Standards 636 Board may settle and resolve any such contest.
 - (d) In the event such contest is not resolved by mutual agreement, the assigned subcommittee of the State Contracting Standards Board shall issue a decision, in writing, not later than [thirty] <u>sixty</u> days after receipt of [any] <u>all information required by the subcommittee to make</u> an informed decision concerning such contest. Such decision shall:
- (1) Describe the procedure used by [such] the state contracting agency in soliciting and awarding such contract; and
 - (2) Indicate [such] the state contracting agency's finding as to the merits of such bidder or proposer's contest. [; and
 - (3) Inform such bidder or proposer of the right to review.]
- (e) [A] <u>The subcommittee shall provide a copy of [such] its decision</u> [shall be provided to such] <u>to the</u> bidder or proposer <u>contesting the</u> award and to the applicable state contracting agency.
- Sec. 15. Section 4e-43 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 652 Not later than June 1, 2010, the State Insurance and Risk 653 Management Board established pursuant to section 4a-19 shall adopt 654 regulations, in accordance with the provisions of chapter 54, in 655 consultation with the State Contracting Standards Board, that specify 656 when a state contracting agency shall require proposers to provide 657 appropriate errors and omissions insurance to cover architectural and 658 engineering services. [under the project delivery methods established 659 in regulations adopted pursuant to section 4e-41.]

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Sec. 16. Subsection (c) of section 10-357b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

- (c) The State Education Resource Center shall be subject to (1) rules, regulations and restrictions on purchasing, procurement, personal service agreements and the disposition of assets generally applicable to Connecticut state agencies, including those contained in titles 4, 4a and 4b, [section 4e-19,] and (2) audit by the Auditors of Public Accounts under section 2-90.
- Sec. 17. Section 4e-47 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 671 On or after January 1, 2011, the State Contracting Standards Board 672 shall adopt regulations, in accordance with the provisions of chapter 673 54, to apply the contracting procedures, as described in sections 4e-18, 674 as amended by this act, [to 4e-45, inclusive,] 4e-25, 4e-29 to 4e-31, 675 inclusive, as amended by this act, 4e-34 to 4e-36, inclusive, as amended 676 by this act, 4e-39, 4e-40 and 4e-43, as amended by this act, to each 677 constituent unit of the state system of higher education. Such 678 regulations shall take into consideration circumstances and factors that 679 are unique to such constituent units.
- Sec. 18. Sections 4e-19 to 4e-24, inclusive, 4e-26 to 4e-28, inclusive, 4e-32, 4e-33, 4e-37, 4e-38, 4e-41, 4e-42, 4e-44 to 4e-46, inclusive, and 4e-49 of the general statutes are repealed. (*Effective October 1*, 2015)

This act shall take effect as follows and shall amend the following sections:				
Section 1	October 1, 2015	4e-1		
Sec. 2	October 1, 2015	4e-3		
Sec. 3	October 1, 2015	4e-4		
Sec. 4	October 1, 2015	4e-5		
Sec. 5	October 1, 2015	4e-6		
Sec. 6	October 1, 2015	4e-7		

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Sec. 7	October 1, 2015	4e-8
Sec. 8	October 1, 2015	4e-10
Sec. 9	October 1, 2015	4e-11
Sec. 10	October 1, 2015	4e-12
Sec. 11	October 1, 2015	4e-13
Sec. 12	October 1, 2015	4e-18
Sec. 13	October 1, 2015	4e-29
Sec. 14	October 1, 2015	4e-36
Sec. 15	<i>October 1, 2015</i>	4e-43
Sec. 16	<i>October 1, 2015</i>	10-357b(c)
Sec. 17	<i>October 1, 2015</i>	4e-47
Sec. 18	<i>October 1, 2015</i>	Repealer section

Statement of Legislative Commissioners:

In Section 2(a) reference to "section and sections 4e-4 to 4e-47, inclusive," was changed to "this chapter" for consistency; in Section 4(b) "develop" was changed to "include" for accuracy, in Section 6(a) "and the Department of Administrative Services" was added for consistency with the change in Section 6(b) and in Section 6(d) subdivision designators and "of a contract" were added for clarity.

GAE Joint Favorable Subst. -LCO